

SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Reyes Analyst: Roger Lackey Bill Number: AB 2090

Related Bills: See Prior Analysis Telephone: 845-3627 Amended Date: 04-05-2000

Attorney: Patrick Kusiak Sponsor:

SUBJECT: Targeted Tax Area/Approve Expansion of No More Than 15%

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended _____.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended _____.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO _____.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 22, 2000, STILL APPLIES.

OTHER - See comments below.

SUMMARY OF BILL

This bill would require the Trade and Commerce Agency (TCA) to expand a Targeted Tax Area (TTA) by up to 15% if the increased area meets certain specified criteria and conditions. This bill also would amend existing law to add agricultural services to the list of trades or businesses that may claim the tax incentives applicable in a TTA.

SUMMARY OF AMENDMENT

The April 5, 2000, amendment expanded the trades or businesses that may claim the TTA tax incentives to include all agricultural services described in Codes 700 to 799 of the Standard Industrial Classification Manual published by the U.S. Office of Management and Budget, 1987 edition. These agricultural services would include the following: soil preparation services, crop services, veterinary services, animal services (except veterinary), farm labor and management services, and landscape and horticultural services.

Except for the discussion of this amendment, the department's analysis of AB 2090 as introduced February 22, 2000, still applies.

BOARD POSITION

Pending.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Johnnie Lou Rosas

4/20/00